

Lebanon Board of Finance

Minutes of May 21, 2013

Regular Meeting

Members present: Liz Charron, Chairman, Glen Coutu, Vice Chairman, Donald Anderson, Greg Lafontaine, Betsy Petrie, and David Scata

Alternates present: Diane Malozzi

Absent: Chuck Haralson, Edward Tytor

Also present: Finance office Veronica Calvert; Town Clerk Susan Coutu; Superintendent of schools Janet Tyler; Board of Education members.

Selectmen: Joyce Okonuk

Member of the Press

Item A. Call to Order

The meeting was called to order at 7:00 p.m. by L. Charron.

Item B. Review and Consider Accepting Minutes of previous Meetings

Glen Coutu made a motion to accept the minutes of Regular Meeting of April 16, 2013. Seconded by Donald Anderson. Motion passed unanimously.

Item C. Correspondence

None.

Item D. Public Comments:

None.

Item E. Town Monthly Expenditures, Invoice, TIP, Contingency, and Transfers:

Veronica Calvert noted that comments were added to the Expenditure Report as requested. Veronica discussed the over expenditures that are being requested by the Cemetery Commission and the Building Department. They will be discussed further under New Business. There were no questions on the Expenditure Report.

Veronica discussed the invoice presented from Adkins Printers for printing the Annual Report. Glen Coutu made a motion to pay this invoice in the amount of \$900.00. Motion seconded by Donald Anderson. Motion passed unanimously.

Discussion on the TIP Report deferred until First Selectman could be present as she had to leave the meeting due to an emergency at the Community Center.

Item F. New Business:

1. Consider and act on setting the FY 2013-14 mil rate.

Discussion that the State budget is not approved as of yet. Revenue is unknown at this point. The estimated mil rate is 23.9. Liz Charron has discussed with the Tax Collector and Assessor if mil rate has to be set tonight. The final date for setting the mil rate is June 11th. Discussion of any anticipated decrease in revenues and if this would have to go back to a Town Meeting. Supplemental tax bills would have to be done if the estimated revenue was drastically different. Have gone back to previous mil rate if no Town Budget in place. Discussion of changing the mil rate without public knowledge. The mil rate is an estimate.

David Scata made a motion to set the mil rate for FY 2013-14 at 23.9. Seconded by Glen Coutu. Motion passed with one nay by Betsy Petrie .

2. Discuss and act on a request from Department 439, Cemetery, for an additional \$250.00 to cover required dangerous tree removal for the cemetery (account 100-00-439-5810).

Discussion of using all the budgeted funds in this department first. Glen Coutu made a motion to authorize the over expenditure of \$250.00 to cover required dangerous tree removal for the cemetery, funds to come from the Contingency Account. Seconded by Gregg Lafontaine. Motion passed unanimously.

3. Discuss and act on Building Department's request for additional FY 2013 funding for mileage in the amount of \$300.00 (account 100-00-425-5210) and \$200.00 (account 100-00-425-5510) for new two part inspection forms for seasonal conversion inspections.

David Scata made a motion to authorize the over expenditure of funds to cover mileage and inspection forms. Funds to come from Contingency Account. Seconded by Betsy Petrie. Discussion of what account to use. This motion was withdrawn by David Scata.

David Scata made motion to authorize the over expenditure for mileage and two part inspection forms for seasonal conversion inspections with funds to come from the WPCA (Account 437). Seconded by Betsy Petrie. Motion passed unanimously.

Item 5 was moved up on the agenda

5. Discuss and act on a request from the Town Clerk's office to purchase software to improve the accuracy and efficiency of fee reporting for \$5,000.00, account 100-00-409-5317.

Glen Coutu recused himself from discussion of this item. Town Clerk, Susan Coutu joined the Board of Finance to discuss the proposed new software that would upgrade the indexing system. Every account would be recorded more accurately. The Town Clerk would work with the Finance Department to set up accounting codes for the fees received. The towns of Colchester and Montville have this system. This system would be more accurate. The price includes a new cash register, computer, scanner, printer and training. It can also print out labels. Could save postage. Liz Charron noted this is a good investment for the Town. Joyce Okonuk noted that there may be some issues in the Town Clerk's office with electrical power, may need upgrades. Postage meter could be moved out per Town Clerk. Discussion that Town Clerk does not report to the Board of Selectmen, is a separate office. Gregg Lafontaine made a motion

to authorize an expenditure of \$5,000.00 with funds to come from Contingency as this is trying to address an audit issue. Seconded by Betsy Petrie. Discussion of funds coming from TIP. The power issue needs to be resolved and that will have to go to the Board of Selectmen. Motion passed with Liz Charron and David Scata voting nay. Glen Coutu recused.

Item E Monthly Expenditures was discussed by Joyce Okonuk

The various line items were discussed. Selectman is at 16%, payroll fees will be over budget. Other line items will be very close. Public Works – supplies, repairs will be over. Parts prices have gone up. The pipe for Clark Rd. has been ordered. This was approved in August 2012, was not done last summer. Human Services will be over as there are two cases pending. There have been eviction and health orders. One case has a cost of \$600.00, another has a cost of \$1,000.00. There will be liens placed against the properties. Some corrections are being made to the TIP report. All Public Works vehicles have the new patch for the new band for the radios. Gulemo printing cost questioned. This is for printing of a newsletter to residents of the three lakes. Discussion of using TIP cost could be shared. Joyce Okonuk to look at using WPCA Dept. 437 for this cost.

6. Selectmen Update – Community Center pool expense.

Pool supplies for the Community Center will be over as the cost of these has gone up. Revenues for the Community Center are on track. This is information for the Board of Finance.

4. Discuss and act on Selectmen's request for an oil tank replacement at the Fire Safety Complex for \$20,000.00 from TIP, account 208-00-510-5100.

Joyce Okonuk discussed advertising for removal of soil, remediation and replacement of the oil tank that was damaged. Board of Selectmen would like to advertise for bids on this project. Discussion of above ground or underground tank. Suggested to install bollards to protect the tank from further damage. Glen Coutu made a motion to authorize the Board of Selectmen to seek competitive bids for oil tank replacement at the Fire Safety Complex. Seconded by Donald Anderson. Discussion of routine business matters (advertising) and dollar amount of project. This is for informational purposes for the Board of Finance. Motion was withdrawn by Glen Coutu.

7. Discuss and act on accepting an Agriculture Viability Grant from the CT Department of Agriculture for \$15,000.00.

Betsy Petrie made a motion to authorize the Board of Selectmen to accept and expend the Agriculture Viability Grant from the Department of Agriculture not to exceed \$15,000.00. Gregg Lafontaine seconded. Glen Coutu discussed that this is basically to solicit people to put their land in open space. Discussion regarding this grant. Gregg Lafontaine amended the motion to add that the document from Town Planner dated May 14, 2013 be followed. Amended motion was passed with one nay Glen Coutu.

8. Discuss and act on Capital Policies and Procedures.

These policies were discussed and reviewed. Following discussion it was determined that a separate working meeting would be held to further review. Members will make changes and bring to meeting. Veronica Calvert will forward a Word document for review.

9. Discuss and act on Lease Purchase Policies and Procedures.

These policies were discussed and reviewed. Following discussion it was determined that a separate working meeting would be held to further review. Members will make changes and bring to meeting. Veronica Calvert will forward a Word document for review.

10. Discuss and act on Board of Education's request to release capital funding for the:

- a. Five Year Maintenance and Repairs for District Fire Systems Bid and award the bid to P & J Sprinkler for the amount of \$36,965.00 (SIP FY 2012-13). Account number 220-00-490-2735-0050.**

Discussion of maintenance of system and testing system. It is in the School Improvement Plan. Discussion of splitting the cost between maintenance and repairs. Discussion that this should be included in 2019 budget. Betsy Petrie made a motion to authorize the expenditure of \$36,965.00 out of the SIP funds for the five year certification and repair to the school district fire systems. Seconded by David Scata. Discussion that this and all items being requested by the Board of Education under item 10 have been appropriately sent out to bid. Discussion of including items in the 2019 budget request. Discussion if these items are on Capital Funding list coming to Board of Finance for approval. Motion passed unanimously.

- b. LMS Lockers (\$5,825.00) and LMHS inside PA System (\$10,875.00) to be paid through Athletics Capital Account FY 2012-13. Account number 220-00-490-2755-0050**

Discussion of maintenance issues Noted that an RFP had been approved by the Board of Education. Gregg Lafontaine made a motion to approve the expenditures of \$5,825.00 through the Athletics Capital Account. Seconded by Donald Anderson. Motion passed unanimously.

- c. LES Heating Units (2) Bid and award to Mega Mechanical for the amount of \$42,845.00 (SIP FY 2013-14) Account number 220-00-490-2735-0050. Release funds as of July 1, 2013.**

Gregg Lafontaine made a motion to approve expenditure to Mega Mechanical for the amount of \$42,845.00. Funds to come from Account number 220-00-490-2735-0050. Funds to be released as of July 1, 2013. Seconded by Donald Anderson. Motion passed unanimously.

11. Discuss and act on Fire Department's request to lease-purchase a rescue truck from the Capital Budget.

Lebanon Volunteer Fire Department Fire Chief, John Lyon joined the meeting and discussed the lease purchase of a demonstrator model rescue fire truck. Betsy Petrie recused herself from discussion. Chief Lyon reported that the truck had been viewed and a special meeting of the LVFD members will be held tomorrow night to discuss purchasing the truck. It meets all the necessary requirements and equipment. Another town is interested in the truck, so a decision will have to be made quickly to purchase. The base price, including required options is \$511,000.00. Board of Finance members discussed lease purchase options. A special Town Meeting would have to be called to release the funds from the capital budget and to approve the Town entering into a Lease Purchase agreement.

Glen Coutu made a motion to request the Board of Selectmen to call a special Town Meeting for the purpose of releasing \$217,000.00 from the Capital Budget, Fire Apparatus Reserve, for a down payment

on the lease purchase of a fire rescue truck for the Lebanon Volunteer Fire Department. Seconded by Donald Anderson. Motion passed unanimously.

Glen Coutu move the following Resolution; Be it resolved, that the Board of Finance recommends that the Town of Lebanon enter into a lease-purchase agreement in a principal amount up to \$300,000.00 with annual payments not to exceed \$60,000.00 to finance costs related to the acquisition of a rescue fire truck for the Lebanon Volunteer Fire Department; and authorize the First Selectman to determine the lease purchase financing provider, to accept and determine the amount, date, interest rate, term and other details of the financing under the lease purchase agreement, and to take other actions as may be necessary or expedient in connection with the fulfillment of the provisions of the lease purchase agreement and related transactions; and to authorize the First Selectman and other proper officers and officials of the Town to take all other action and to enter into any other agreements which are necessary or desirable to complete the project and to finance the project through the lease purchase agreement, Resolution was seconded by David Scata. Passed unanimously with 5 ayes. Betsy Petrie was recused.

G. Other:

Motion made by Glen Coutu and seconded by Donald Anderson to add to agenda the discussion of appropriating \$150,000.00 from surplus funds from the Board of Education for the purpose of installing WIFI in the school district. Seconded by Donald Anderson. Motion passed unanimously.

Darcy Battye of the Board of Education discussed information regarding spending funds before the end of the current fiscal year. This has been discussed with the auditor and he has provided information that seems to contradict previous information provided. The BOE concern is that if they start a project and complete it that it will be cited in the audit report and be a disallowed expense. They would be unable to take corrective action in the 2013-2014 budget if that was the case. Liz Charron discussed that the auditor is the determining factor and he has to comply with GAAP and municipal accounting guidelines. Discussion that the Board of Education previously reported that there will be some additional special education costs which will use some of the anticipated surplus. There may be other obligations before the end of the current fiscal year. The WIFI is needed for student testing. David Scata noted that the testing discussed will not be done until Spring 2014f. It was noted that the Board of Finance could not encourage the surplus to be spent in this way. Surplus funds from the current fiscal year from the Board of Education are to be returned to the Town.

A date was set for a special working meeting to review and discuss policies and procedures for June 10th, 7:00 p.m.

David Scata made a motion to adjourn the meeting. Motion was seconded by Donald Anderson. Meeting adjourned at 9:10 p.m.

Respectfully Submitted,

Kathleen E. Chapman

Board of Finance Clerk

